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Congress of the United States
House of Representatives
Washington, DC 20515-4708

December 8, 2005

The Honorable J. Dennis Hastert
Speaker of the House
H 232, The Capitol Building
Washington, DC 20515

Dear Speaker Hastert:

I understand and support the need to slow the rate of growth of mandatory spending and I support the reconciliation process. However, as you prepare to go to conference on H.R. 4241, the Deficit Reduction Act of 2005, I want to share with you my concerns with the final conference report.

I respectfully request the removal of Section 8319 (Reduction in Rate of Reimbursement of Child Support Administrative Expenses) of H.R. 4241 from the conference report. Section 8319 will cut \$4.9 billion from child support programs over five years by reducing the federal match for this program from 66 percent to 50 percent. As Sheriff of King County, Washington, I was able to use these funds to set up a unit targeted specifically at "dead beat" parents and have seen first hand the benefits of tracking them down.

Currently local law enforcement departments across the country are financially strapped and I believe this provision will result in an unintended consequence. Section 8319 will reduce states' capacity to establish and enforce child support orders and result in custodial parents receiving \$7.1 billion less child support over five years and \$21.3 billion less over ten years. In addition, not only do we collect payments that largely would have been paid for by welfare programs, I have witnessed when parents become financially engaged they become more involved in the child's life.

I am also concerned about changes to Medicaid laws affecting Early and Periodic Screening, Diagnosis and Treatment (EPSDT) screening (Title III, Subtitle A, Section 3124). Current law provides EPSDT screening for all children on Medicaid. This is an especially important benefit for children with complex medical needs. Children's Hospital and Regional Medical Center in Seattle has said these proposed changes could result in a loss of as much as \$6 million per year.

Specifically, I urge the Conferees to ensure that the final budget reconciliation bill does not permit states to impose new benefit restrictions or cost sharing on children, whether the children are in the mandatory or optional categories. Children should be excluded from cost sharing and benefit changes in general, as well as any new cost sharing on emergency care and prescription drug purchases. The reasons for exempting children are many. Most importantly, while children comprise more than half of all Medicaid recipients, they only account for 22% of Medicaid spending. As a consequence, changes to the Medicaid system could fall disproportionately on children and the individuals and institutions which provide care to children. I understand the need to make Medicaid more efficient and the desire to give states more flexibility in

administering their programs; however I do not believe we should impose cost sharing and benefit changes on children that may result in adversely impacting their access to care.

In addition, I hope the Conferees will work to ensure the children in foster care are not harmed by changes to the system. In particular, I am concerned about proposed changes to the program which limit children's eligibility for federally funded foster care payments and the provision which limits the circumstances under which states can receive federal funding for services provided to children in settings like non-licensed foster homes (Title VIII, Subtitle D, Section 8408 of H.R. 4241).

Regarding the proposed Medicaid reforms and the reimbursement rate for prescription drugs, I was pleased H.R. 4241 was amended to provide for a Government Accountability Office report examining the effects of the changes. However, I am troubled that under the bill's language the Secretary of Health and Human Services could implement the change in pharmacy reimbursement rates even if the GAO reports finds that the average prices paid by pharmacies are above the new reimbursable amounts. I do not believe the Secretary should be given that authority under such circumstances.


Finally, I want to thank you for your leadership in removing Subtitle A of Title VI of H.R. 4241 prior to floor consideration. Including the Arctic National Wildlife Refuge provisions in the reconciliation bill would only further complicate an already difficult situation and I ask that you keep this provision out of the final conference report.

Instead of pushing this provision through the budget process, we should focus greater attention on renewable energy sources, alternate fuels, and more efficient systems that would yield more net energy savings than could come from ANWR and would have a higher benefit on the nation's economic leadership and security.

In my district, King County has played a large role in energy efficiency and conservation. Currently, King County and the City of Seattle have 235 hybrid buses on the road, plus additional smaller hybrid vehicles. Companies, such as Ramgen Power Systems located in my district, have received a considerable amount of attention from the Department of Energy for their technologies that reduce air pollution and carbon emissions and strengthen the nation's energy security.

Thank you for your consideration, I look forward to working together on this and other important issue in the future.

Respectfully,



DAVID REICHERT
Member of Congress

CC: Majority Leader Roy Blunt
Chairman Jim Nussle